

AMENDED IN ASSEMBLY MARCH 24, 2003

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

**ASSEMBLY BILL**

**No. 680**

**Introduced by Assembly Member Liu**

February 19, 2003

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An act to amend ~~Section 76300 of~~, *repeal, and add Section 76300 of, and to add Sections 76301 and 76302 to*, the Education Code, relating to public postsecondary education.

LEGISLATIVE COUNSEL'S DIGEST

AB 680, as amended, Liu. ~~Community~~ *Public postsecondary education: community college fees.*

Existing law establishes the California Community Colleges under the administration of the Board of Governors of the California Community Colleges. Existing law authorizes the establishment of community college districts under the administration of community college *district* governing boards, and authorizes these districts to provide instruction to students, for a fee of \$11 per unit per semester, at community college campuses throughout the state. *Existing law requires the Chancellor of the California Community Colleges, in computing apportionments to community college districts, to subtract, from the total owed to each district 98% of the revenues received by districts from charging this fee.*

This bill would ~~require that~~ *increase these fees for the 2003–04 academic year to the 2005–06 academic year, inclusive, in accordance with a schedule. For the 2003–04 and 2004–05 academic years, the bill would require students with bachelor's degrees to pay an additional \$10 per unit per semester a higher amount than students without bachelor's*

degrees. The bill would require that any revenue received by a community college district pursuant to the increase in the fee amount in the 2003–04 academic year to the 2005–06 academic year, inclusive, required by the bill, be exempt from the existing requirement for subtraction from the total revenue owed to each district.

The bill would require the board of governors to determine this fee, commencing with the 2006–07 academic year. The bill would also require the board of governors to develop a methodology for the adjustment of this fee in accordance with a prescribed procedure. The bill would require the California Postsecondary Education Commission to annually review, and report to the Legislature and the Director of Finance about, the policies and procedures adopted by the board of governors with respect to the determination of the fee.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 76300 of the Education Code is
- 2 amended to read:
- 3 76300. (a) The governing board of each community college
- 4 district shall charge each student a fee pursuant to this section.
- 5 (b) (1) The fee prescribed by this section is ~~eleven dollars~~
- 6 ~~(\$11) per unit per semester for a student who does not have a~~
- 7 ~~bachelor's degree, and twenty-one dollars (\$21) per unit per~~
- 8 ~~semester for a student who has a bachelor's degree. as follows:~~
- 9 (A) For a student who does not have a bachelor's degree:
- 10 (i) For the 2003–04 academic year, sixteen dollars (\$16) per
- 11 unit per semester.
- 12 (ii) For the 2004–05 academic year, twenty-one dollars (\$21)
- 13 per unit per semester.
- 14 (B) For a student who has a bachelor's degree, the fee shall be
- 15 twenty-five dollars (\$25) per unit per semester for the 2003–04 and
- 16 2004–05 academic years.
- 17 (C) In the 2005–06 academic year, the fee for each student,
- 18 irrespective of whether or not that student has a bachelor's degree,
- 19 shall be twenty-five dollars (\$25) per unit per semester.
- 20 (2) The chancellor shall proportionately adjust the amount of
- 21 the fee for term lengths based upon a quarter system, and also shall
- 22 proportionately adjust the amount of the fee for summer sessions,

1 intersessions, and other short-term courses. In making these  
2 adjustments, the chancellor may round the per unit fee and the per  
3 term or per session fee to the nearest dollar.

4 (c) (1) For the purposes of computing apportionments to  
5 community college districts pursuant to Section 84750, the  
6 chancellor shall subtract, from the total revenue owed to each  
7 district, 98 percent of the revenues received by districts from  
8 charging a fee pursuant to this section.

9 (2) *Notwithstanding paragraph (1), any revenue received by a*  
10 *community college district pursuant to the increase in the fee*  
11 *amount required by the amendment to subdivision (b) enacted*  
12 *during the 2003 portion of the 2003–04 Regular Session, is exempt*  
13 *from the subtraction from the total revenue owed to each district*  
14 *required by paragraph (1).*

15 (d) The chancellor shall reduce apportionments by up to 10  
16 percent to any district that does not collect the fees prescribed by  
17 this section.

18 (e) The fee requirement does not apply to any of the following:

19 (1) Students enrolled in the noncredit courses designated by  
20 Section 84757.

21 (2) California State University or University of California  
22 students enrolled in remedial classes provided by a community  
23 college district on a campus of the University of California or a  
24 campus of the California State University, for whom the district  
25 claims an attendance apportionment pursuant to an agreement  
26 between the district and the California State University or the  
27 University of California.

28 (3) Students enrolled in credit contract education courses  
29 pursuant to Section 78021, if the entire cost of the course,  
30 including administrative costs, is paid by the public or private  
31 agency, corporation, or association with which the district is  
32 contracting and if these students are not included in the calculation  
33 of the full-time equivalent students (FTES) of that district.

34 (f) The governing board of a community college district may  
35 exempt special part-time students admitted pursuant to Section  
36 76001 from the fee requirement.

37 (g) (1) The fee requirements of this section shall be waived  
38 for any student who, at the time of enrollment, is a recipient of  
39 benefits under the Temporary Assistance to Needy Families  
40 program, the Supplemental Security Income/State Supplementary

1 Program, or a general assistance program or has demonstrated  
2 financial need in accordance with the methodology set forth in  
3 federal law or regulation for determining the expected family  
4 contribution of students seeking financial aid.

5 (2) The governing board of a community college district also  
6 shall waive the fee requirements of this section for any student who  
7 demonstrates eligibility according to income standards established  
8 by the board of governors.

9 (h) The fee requirements of this section shall be waived for any  
10 student who, at the time of enrollment is a dependent, or surviving  
11 spouse who has not remarried, of any member of the California  
12 National Guard who, in the line of duty and while in the active  
13 service of the state, was killed, died of a disability resulting from  
14 an event that occurred while in the active service of the state, or is  
15 permanently disabled as a result of an event that occurred while in  
16 the active service of the state. "Active service of the state," for the  
17 purposes of this subdivision, refers to a member of the California  
18 National Guard activated pursuant to Section 146 of the Military  
19 and Veterans Code.

20 (i) The fee requirements of this section shall be waived for any  
21 student who is the surviving spouse or the child, natural or  
22 adopted, of a deceased person who met all of the requirements of  
23 Section 68120.

24 (j) The fee requirements of this section shall be waived for any  
25 student in an undergraduate program, including a student who has  
26 previously graduated from another undergraduate or graduate  
27 program, who is the dependent of any individual killed in the  
28 September 11, 2001, terrorist attacks on the World Trade Center  
29 and the Pentagon, or the crash of United Airlines Flight 93 in  
30 southwestern Pennsylvania, if that dependent meets the financial  
31 need requirements set forth in Section 69432.7 for the Cal Grant  
32 A Program and either of the following apply:

33 (1) The dependent was a resident of California on September  
34 11, 2001.

35 (2) The individual killed in the attacks was a resident of  
36 California on September 11, 2001.

37 (k) A determination of whether a person is a resident of  
38 California on September 11, 2001, for purposes of subdivision (j)  
39 shall be based on the criteria set forth in Chapter 1 (commencing

1 with Section 68000) of Part 41 for determining nonresident and  
2 resident tuition.

3 (l) (1) “Dependent,” for purposes of subdivision (j), is a  
4 person who, because of his or her relationship to an individual  
5 killed as a result of injuries sustained during the terrorist attacks  
6 of September 11, 2001, qualifies for compensation under the  
7 federal September 11th Victim Compensation Fund of 2001 (Title  
8 IV (commencing with Section 401) of Public Law 107-42).

9 (2) A dependent who is the surviving spouse of an individual  
10 killed in terrorist attacks of September 11, 2001, is entitled to the  
11 waivers provided in this section until January 1, 2013.

12 (3) A dependent who is the surviving child, natural or adopted,  
13 of an individual killed in the terrorist attacks of September 11,  
14 2001, is entitled to the waivers under subdivision (j) until that  
15 person obtains the age of 30 years.

16 (4) A dependent of an individual killed in the terrorist attacks  
17 of September 11, 2001, who is determined to be eligible by the  
18 California Victim Compensation and Government Claims Board,  
19 is also entitled to the waivers provided in this section until January  
20 1, 2013.

21 (m) (1) It is the intent of the Legislature that sufficient funds  
22 be provided to support the provision of a fee waiver for every  
23 student who demonstrates eligibility pursuant to subdivisions (g)  
24 to (j), inclusive.

25 (2) From funds provided in the annual Budget Act, the board  
26 of governors shall allocate to community college districts,  
27 pursuant to this subdivision, an amount equal to 2 percent of the  
28 fees waived pursuant to subdivisions (g) to (j), inclusive. From  
29 funds provided in the annual Budget Act, the board of governors  
30 shall allocate to community college districts, pursuant to this  
31 subdivision, an amount equal to ninety-one cents (\$0.91) per credit  
32 unit waived pursuant to subdivisions (g) to (j), inclusive, for  
33 determination of financial need and delivery of student financial  
34 aid services, on the basis of the number of students for whom fees  
35 are waived. Funds allocated to a community college district for  
36 determination of financial need and delivery of student financial  
37 aid services shall supplement, and shall not supplant, the level of  
38 funds allocated for the administration of student financial aid  
39 programs during the 1992–93 fiscal year.

(n) The board of governors shall adopt regulations implementing this section.

(o) *This section shall become inoperative on July 1, 2006, and, as of January 1, 2007, is repealed, unless a later enacted statute that is enacted before January 1, 2007, deletes or extends the dates on which it becomes inoperative and is repealed.*

SEC. 2. Section 76300 is added to the Education Code, to read:

76300. (a) The governing board of each community college district shall charge each student a fee pursuant to this section.

(b) (1) Commencing with the 2006–07 academic year, the Board of Governors of the California Community Colleges shall prescribe the amount of the fee required by this section.

(2) The chancellor shall proportionately adjust the amount of the fee for term lengths based upon a quarter system, and also shall proportionately adjust the amount of the fee for summer sessions, intersessions, and other short-term courses. In making these adjustments, the chancellor may round the per unit fee and the per term or per session fee to the nearest dollar.

(c) For the purposes of computing apportionments to community college districts pursuant to Section 84750, the chancellor shall subtract, from the total revenue owed to each district, 98 percent of the revenues received by districts from charging a fee pursuant to this section.

(d) The chancellor shall reduce apportionments by up to 10 percent to any district that does not collect the fees prescribed by this section.

(e) The fee requirement does not apply to any of the following:

(1) Students enrolled in the noncredit courses designated by Section 84757.

(2) California State University or University of California students enrolled in remedial classes provided by a community college district on a campus of the University of California or a campus of the California State University, for whom the district claims an attendance apportionment pursuant to an agreement between the district and the California State University or the University of California.

(3) Students enrolled in credit contract education courses pursuant to Section 78021, if the entire cost of the course, including administrative costs, is paid by the public or private



1 agency, corporation, or association with which the district is  
2 contracting and if these students are not included in the  
3 calculation of the full-time equivalent students (FTES) of that  
4 district.

5 (f) The governing board of a community college district may  
6 exempt special part-time students admitted pursuant to Section  
7 76001 from the fee requirement.

8 (g) (1) The fee requirements of this section shall be waived for  
9 any student who, at the time of enrollment, is a recipient of benefits  
10 under the Temporary Assistance to Needy Families program, the  
11 Supplemental Security Income/State Supplementary Program, or  
12 a general assistance program or has demonstrated financial need  
13 in accordance with the methodology set forth in federal law or  
14 regulation for determining the expected family contribution of  
15 students seeking financial aid.

16 (2) The governing board of a community college district also  
17 shall waive the fee requirements of this section for any student who  
18 demonstrates eligibility according to income standards  
19 established by the board of governors.

20 (h) The fee requirements of this section shall be waived for any  
21 student who, at the time of enrollment is a dependent, or surviving  
22 spouse who has not remarried, of any member of the California  
23 National Guard who, in the line of duty and while in the active  
24 service of the state, was killed, died of a disability resulting from  
25 an event that occurred while in the active service of the state, or  
26 is permanently disabled as a result of an event that occurred while  
27 in the active service of the state. "Active service of the state," for  
28 the purposes of this subdivision, refers to a member of the  
29 California National Guard activated pursuant to Section 146 of  
30 the Military and Veterans Code.

31 (i) The fee requirements of this section shall be waived for any  
32 student who is the surviving spouse or the child, natural or  
33 adopted, of a deceased person who met all of the requirements of  
34 Section 68120.

35 (j) The fee requirements of this section shall be waived for any  
36 student in an undergraduate program, including a student who has  
37 previously graduated from another undergraduate or graduate  
38 program, who is the dependent of any individual killed in the  
39 September 11, 2001, terrorist attacks on the World Trade Center  
40 and the Pentagon, or the crash of United Airlines Flight 93 in

1 *southwestern Pennsylvania, if that dependent meets the financial*  
2 *need requirements set forth in Section 69432.7 for the Cal Grant*  
3 *A Program and either of the following apply:*

4 *(1) The dependent was a resident of California on September*  
5 *11, 2001.*

6 *(2) The individual killed in the attacks was a resident of*  
7 *California on September 11, 2001.*

8 *(k) A determination of whether a person is a resident of*  
9 *California on September 11, 2001, for purposes of subdivision (j)*  
10 *shall be based on the criteria set forth in Chapter 1 (commencing*  
11 *with Section 68000) of Part 41 for determining nonresident and*  
12 *resident tuition.*

13 *(l) (1) "Dependent," for purposes of subdivision (j), is a*  
14 *person who, because of his or her relationship to an individual*  
15 *killed as a result of injuries sustained during the terrorist attacks*  
16 *of September 11, 2001, qualifies for compensation under the*  
17 *federal September 11th Victim Compensation Fund of 2001 (Title*  
18 *IV (commencing with Section 401) of Public Law 107-42).*

19 *(2) A dependent who is the surviving spouse of an individual*  
20 *killed in terrorist attacks of September 11, 2001, is entitled to the*  
21 *waivers provided in this section until January 1, 2013.*

22 *(3) A dependent who is the surviving child, natural or adopted,*  
23 *of an individual killed in the terrorist attacks of September 11,*  
24 *2001, is entitled to the waivers under subdivision (j) until that*  
25 *person obtains the age of 30 years.*

26 *(4) A dependent of an individual killed in the terrorist attacks*  
27 *of September 11, 2001, who is determined to be eligible by the*  
28 *California Victim Compensation and Government Claims Board,*  
29 *is also entitled to the waivers provided in this section until January*  
30 *1, 2013.*

31 *(m) (1) It is the intent of the Legislature that sufficient funds be*  
32 *provided to support the provision of a fee waiver for every student*  
33 *who demonstrates eligibility pursuant to subdivisions (g) to (j),*  
34 *inclusive.*

35 *(2) From funds provided in the annual Budget Act, the board of*  
36 *governors shall allocate to community college districts, pursuant*  
37 *to this subdivision, an amount equal to 2 percent of the fees waived*  
38 *pursuant to subdivisions (g) to (j), inclusive. From funds provided*  
39 *in the annual Budget Act, the board of governors shall allocate to*  
40 *community college districts, pursuant to this subdivision, an*



1 amount equal to ninety-one cents (\$0.91) per credit unit waived  
2 pursuant to subdivisions (g) to (j), inclusive, for determination of  
3 financial need and delivery of student financial aid services, on the  
4 basis of the number of students for whom fees are waived. Funds  
5 allocated to a community college district for determination of  
6 financial need and delivery of student financial aid services shall  
7 supplement, and shall not supplant, the level of funds allocated for  
8 the administration of student financial aid programs during the  
9 1992–93 fiscal year.

10 (n) The board of governors shall adopt regulations  
11 implementing this section.

12 (o) This section shall become operative on July 1, 2006.

13 SEC. 3. Section 76301 is added to Article 1 of Chapter 2 of  
14 Part 47 of the Education Code, to read:

15 76301. (a) Commencing with the 2006–07 academic year,  
16 the Board of Governors of the California Community Colleges  
17 shall determine the amount of the fee required by Section 76300.

18 (b) To carry out the responsibilities of this section, the board of  
19 governors shall develop a rational and transparent methodology  
20 for adjusting the fee required by Section 76300. This methodology  
21 shall be developed in consultation with appropriate student  
22 representatives and, once developed, shall be formally adopted by  
23 the board of governors in an open public meeting.

24 (c) In adopting a methodology, the board of governors shall  
25 take into consideration the impact that the methodology and its  
26 resulting outcome will have on students and the quality of the  
27 system. At a minimum, the board of governors shall pay careful  
28 attention to the impact that the proposed methodology has on  
29 financially needy and underrepresented students, average time to  
30 degree completion, and the total cost to the student of obtaining a  
31 degree. To the extent that the board of governors recognizes that  
32 the proposed methodology will have a negative impact, the board  
33 of governors shall include a plan for mitigating that impact. The  
34 board of governors shall annually report to the Governor, the  
35 Legislature, and the California Postsecondary Education  
36 Commission concerning its analysis of the impact associated with  
37 implementation of its student fee methodology.

38 (d) (1) Employing the methodology adopted under this  
39 section, the board of governors shall annually propose an  
40 adjustment in the level of the fee required by Section 76300. The

1 board of governors may not assume that State General Fund  
2 resources will be made available to backfill for any proposed  
3 changes in student fee levels.

4 (2) The proposed adjustments in student fees shall be discussed  
5 and acted upon by the board of governors in an open public  
6 meeting. Consistent with the state's open meeting law provisions,  
7 the board of governors shall provide an opportunity for interested  
8 constituents to comment on the proposed changes in student fees.

9 (e) The board of governors shall discuss, and act upon, any  
10 proposed changes in the fee required by Section 76300 by no later  
11 than each November 30 in order for those fees to take effect at the  
12 commencement of the academic term commencing after July 1 of  
13 the following calendar year. Following the action of the board of  
14 governors, the California Community Colleges shall employ  
15 appropriate procedures to notify students of the proposed changes  
16 in student fees. The Legislature finds and declares that this  
17 advance notification will enable students and their families to  
18 better plan financially.

19 (f) The Legislature finds and declares both of the following:

20 (1) The Governor and Legislature should recognize the  
21 responsibility assigned to the California Community Colleges  
22 under Section 66010.4, and allow student fees to increase or  
23 decrease in a manner consistent with the methodology adopted by  
24 the board of governors.

25 (2) To the extent that the Governor or Legislature identify  
26 additional State General Fund resources to provide to higher  
27 education, they are encouraged to examine the overall fiscal needs  
28 of the California Community Colleges and provide state revenues  
29 to assist that system in meeting its ongoing operational needs,  
30 rather than using limited state revenues to backfill for proposed  
31 changes in fee levels.

32 (g) If, following enactment of the annual Budget Act, because  
33 of budgetary restrictions or requirements, the level of student fees  
34 to be assessed in the upcoming academic year differs from those  
35 previously approved by the board of governors, the board of  
36 governors shall meet, in open public session, to discuss and act  
37 upon the revised level of the fee required by Section 76300. This  
38 action shall occur in an open public meeting, and provide an  
39 opportunity for interested constituents to comment on the proposed  
40 change in student fees. The board of governors shall bear the final

1 *and ultimate responsibility for determining the amount of the fee*  
2 *required by Section 76300.*

3 *(h) Following the final action of the board of governors, the*  
4 *California Community Colleges shall employ appropriate*  
5 *procedures to notify students of the student fees to be assessed in*  
6 *the upcoming academic year. In addition, the California*  
7 *Community Colleges shall simultaneously provide students with*  
8 *information concerning the availability of student financial aid*  
9 *and the procedures for obtaining that aid in order to assist students*  
10 *with meeting the increased costs of community college attendance.*

11 *SEC. 4. Section 76302 is added to Article 1 of Chapter 2 of*  
12 *Part 47 of the Education Code, to read:*

13 *76302. Each year, prior to December 1, the California*  
14 *Postsecondary Education Commission shall review institutional*  
15 *compliance with the policies set forth in Section 76301, and report,*  
16 *in writing, to the Legislature and the Director of Finance any*  
17 *findings, conclusions, or recommendations of the commission*  
18 *regarding the implementation of these policies.*

